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THE Wheat SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

WS - 87 BAE MARCH—APRIL 1945

ALL SPRING WHEAT: ACREAGE, YIELD, AND PRODUCTION, UNITED STATES, 1919-45

* 1945 ACRES ARE INTENTIONS AND YIELDS ASSUMED ARE AVERAGE

U. S. DEPARTMENT OF AGRICULTURE NEG. 31780 BUREAU OF AGRICULTURAL ECONOMICS

The intended seedings of all spring wheat at 19 million acres indicates a reduction of about 2 percent from the acreage in 1944 and also from the 1934-43 period. If the prospective acreage is realized and yields per seeded acre approximate those for 1937-42, production would be about 240 million bushels. Moisture is generally favorable in spring wheat areas. However, early conditions are not a dependable guide to final yields.

THE WHEAT SITUATION
(Including Rye)

SUMMARY OF THE OUTLOOK FOR THE 1945 WHEAT CROP

A winter wheat crop of 863 million bushels is indicated on the basis of April 1 condition. A crop of this size would be nearly 100 million bushels above that of last year and 37 million bushels above the largest previous winter wheat crop, produced in 1931. The reported condition of wheat is the highest since 1919, and the growth is 2 to 3 weeks ahead of normal. There will be no official spring wheat crop indication until June 11. Moisture conditions are favorable for seeding spring wheat, and if spring yields should turn out about average, the total wheat crop would exceed the record 1,079 million bushels produced last year.

In most years, conditions as of April 1 have been a fairly good indication of the winter wheat crop. However, there have been occasional years in which the actual outturn varied considerably from early indications. The spring wheat yield is highly related to moisture in April and May, and especially to temperatures in June, so that early season moisture alone is not a good indication of prospective yields.

A crop in excess of a billion bushels would undoubtedly result in a larger carry-over on July 1, 1946 than on July 1, 1945, even with large-scale exports and continued relatively large domestic disappearance.

Wheat prices are currently the highest in 20 years, reflecting the increased demand associated with the war. A very large 1945 crop probably would lower prices in 1945-46 compared with 1944-45, but with good demand in prospect prices may be expected to continue at relatively high levels. Continuation of the wheat loan program in 1945-46 at 90 percent of parity was authorized under the Stabilization Act of 1942.

Stocks on July 1, 1945 in the four overseas exporting countries -- Canada, Argentina, Australia, and the United States -- may total about 950 million bushels. This is two times the 1935-39 average of 458 million bushels. Stocks of this size would be large enough to take care of prospective world trade without drawing on the surplus from the 1945 production.

The spring wheat acreage intentions of Canadian farmers will not be known until May 9. In its statement of objectives for 1945 Canada suggested a reduction of 1.8 million acres, or 8 percent. While high prices favor maintaining the acreage, seedings in 1945 may not be greatly different from the objective as a result of the limitation placed on the quantity of wheat each grower may market. In Europe many countries are endeavoring to expand their spring seedings to offset reductions in the fall acreage, which reductions were caused by an exceptionally wet season and the effects of military operations. It is unlikely, however, that spring sowings can be increased sufficiently to do this. Increases in acreage are expected in both Argentina and Australia.

SUMMARY OF THE CURRENT WHEAT AND RYE SITUATION

On the basis of estimates of disappearance, a carry-over next July of 350 to 375 million bushels still appears probable. This compares with 316 million bushels a year ago and 235 million bushels the 10-year (1932-41) prewar average. Total export demand is large, but because of the difficulties involved in getting cars to move grain to ports, it is difficult to estimate the quantity which will actually be exported before July 1. In exports are included lend-lease, civilian relief feeding as well as commercial exports.

Cash wheat prices continue generally at ceiling levels. Ordinarily prices start downward in May, in an adjustment to the new crop basis. Adjustment this year may be reduced, however, as a result of large flour purchases by the Government, a good demand for wheat for industrial alcohol production, heavy exports, and the restricted movement caused by the shortage of cars.

The car shortage during the past 5 months has resulted in wheat being backed up on farms and in country elevators. Another result has been that stocks in ports and nearby terminals have become nearly exhausted. Unless a great many more cars are available, the handling of the large prospective crop and also the export program for relief and lend-lease purposes will be seriously hampered.

Cash income received by wheat growers in the 1944 calendar year is estimated at 1,070 million dollars. This is the largest income since 1920, when it was 1,368 million dollars, and the price to growers averaged $2.14. It is more than 20 percent higher than the 801 million-dollar income in 1943. The quantity sold in 1944 was exceeded only in 1942, and the price was the highest since 1925.

Present estimates of disappearance indicate that the rye carry-over July 1, 1945 may be about 15 million bushels, compared with 31 million bushels a year earlier. As a result of strong demand for limited supplies, prices are the highest since 1920.

-- April 18, 1945

THE OUTLOOK FOR THE 1945 WHEAT CROP

BACKGROUND.- The acreage seeded to wheat for the 1944 crop, at 65.7 million acres, was 19 percent above the very small 1943 acreage, but only slightly below the 1934-43 average of 66.2 million acres (table 3). Increased use of wheat, and the resulting prospective elimination of the wheat surplus, made it desirable to expand wheat acreage in 1944.

Until the spring of 1943 it was the policy of the Government, under the acreage adjustment program, to limit acreage to an amount which would meet domestic and export needs and provide a carry-over which included a reserve for years of small yields. In February 1943 acreage and marketing restrictions were removed, permitting increased seedings in the spring of 1943. The goal for 1944 was set at 67 million acres, but unfavorable conditions at the time of seeding winter wheat prevented farmers from planting their intended acreage. The goal for 1945 was 67.7 million acres as finally revised. The original goal of 68.7 million bushels, announced in June, was reduced as a result of the great improvement in the crop and the desirability of increasing the flax acreage.

Another Very Large Wheat Crop in Prospect

Another very large wheat crop is in prospect for 1945. If the winter crop turns out about as indicated in April and spring yields are about average, a total crop of about 1.1 billion bushels would result. If it should exceed the 1,079 million bushels produced last year, it would be the largest crop on record. A crop in excess of a billion bushels would undoubtedly result in a larger carry-over on July 1, 1946 than on July 1, 1945, even with large-scale exports and continued relatively large domestic disappearance.

Estimated winter wheat acreage combined with the acreage intended to be seeded to spring wheat, gives a 1945 seeded acreage of all wheat of 68.6 million acres (table 3). This is about 4-1/2 percent more than the 65.7 million acres of all wheat seeded for the 1944 crop.

Winter Wheat Production Indicated at 863 Million Bushels -- An All-Time Record

A record crop of 863 million bushels of winter wheat is in prospect on April 1. Such a crop would be nearly 100 million bushels above that of last year, and 37 million bushels above the largest previous winter wheat crop -- that of 1931. The reported condition of wheat is the highest since 1919 and the growth is 2 to 3 weeks ahead of normal.

Wheat came through the winter well in nearly all important winter wheat States. Good snow cover in most areas furnished adequate protection, and held winter acreage losses to the lowest level in 25 years. In addition to this highly favorable condition, spring growth started early with warm March weather. Fall moisture was generally sufficient to promote good fall growth, and in most sections the ground was in condition to absorb a large part of the moisture from melted snow and rains. The April 1 indicated yield of 17.4 bushels per seeded acre is approximately 1 bushel above last year, and the highest since 1942. The expected abandonment is the lowest since 1919.

Spring Wheat Acreage Intentions Down 2 Percent

March 1 reports from growers indicate they plan to seed 19.0 million acres of spring wheat, which is 2 percent below both the 19.3 million acres in 1944 and the 19.4 million, the 10-year (1934-43) average. The indicated acreage of spring wheat other than durum at 17.0 million acres is only slightly smaller than the 17.2 million seeded last year. Decreases in Montana, South Dakota and Minnesota more than offset an increase in North Dakota (table 5). Each of the Pacific Northwest States increased their acreage slightly. The prospective acreage of durum wheat, at about 2.02 million acres (table 4) is 7 percent under the 2.16 million acres planted last year, and continues the decline of recent years. This reflects the competition from both flaxseed and other spring wheat for the acreage, and the less satisfactory returns from durum wheat in recent years. If the prospective all spring wheat acreage is realized, and yields per seeded acre this year, by States, approximate those for 1937-42, production would be about 241 million bushels. While a spring crop of this size would be the smallest since 1940, it would be 19 percent above the 203 million-bushel average in 1934-43.

On April 6, War Food Administrator Marvin Jones in a statement on goals indicated the desirability of some shifting in spring wheat plans, in view of the large prospective crop, and suggested that farmers in spring wheat areas should consider planting some of their intended spring wheat acreage to other needed crops, such as barley and flaxseed.

Wheat Prices in 1945-46 Expected to Continue Relatively High

Wheat prices are currently the highest in 20 years reflecting the increased demand associated with the war. A very large 1945 crop probably would lower prices in 1945-46 compared with 1944-45 but with good demand in prospect, prices may be expected to continue at relatively high levels. The Agricultural Adjustment Act of 1938 as amended by the Stabilization Act approved October 2, 1942 requires that the price of wheat be supported, if marketing quotas have not been disapproved, at not less than 90 percent of parity for a period extending until 2 years after the January 1 following the official proclamation that hostilities have ended.

Exportable Supplies Continue Large; After the War Large Surpluses Likely Again to be Problem

Wheat stocks on July 1 in the 4 overseas exporting countries (U.S., Canada, Argentina, Australia), after reaching an all-time high of 1,753 million bushels in 1943, were reduced to 1,167 million bushels in 1944. By next July stocks may be reduced by another 200 million bushels, to about 950 million bushels, which would still be twice the 1935-39 average of 458 million bushels. Stocks of this size would be large enough to take care of prospective world trade without drawing on the surplus from the 1945 production.

The surplus out of the 1945 world production, and stocks in other countries added to the stocks in these 4 exporting countries, will cause world supplies in 1945-46 to continue very large relative to disappearance. If pre-war acreages and average yields are assumed in the years following the war, production would exceed annual use and carry-over stocks would begin to be built up. Curtailed production or curtailed marketings and increased consumption could prevent a chronic surplus situation. These are included in the objectives of the International Wheat Agreement.

Large Surpluses in Canada and Argentina; No Surplus in Australia

Canadian wheat supplies estimated available for export or carry-over on March 1 totaled 477 million bushels (table 1). Exports (including flour) in the March-July period in 1944 totaled 158 million bushels. If exports in the same months in 1945 approximate this quantity which is a fairly reasonable assumption, and if it is assumed that a Canadian carry-over of about 100 million bushels would be desirable, a surplus July 30, 1945 of about 220 million bushels is indicated. While this would be considerably above average, it would be the smallest surplus since 1940.

Table 1.- Canadian Wheat: Statistical position as of March 1, 1945

	Million bushels
Stocks (including Canadian wheat in the United States), August 1, 1944	355
Production	436
Total supplies	791
Estimated domestic requirements	160
Available for export or carry-over	631
Exports (incl. flour), August-February	154
Balance March 1 for export or carry-over	477

Wheat supplies in Argentina estimated available for export or carry-over on March 1 totaled 195 million bushels (table 2). Exports (including flour) in the March-December period in 1944 totaled 76 million bushels. Assuming exports in the same months in 1945 approximately the same, and that it would be desirable to have a carry-over of 30 million bushels, a surplus of about 90 million bushels is indicated for December 31, 1945. Although such surplus would be considerable above average, it would be the smallest since 1941.

Table 2.- Argentina Wheat: Statistical position as of March 1, 1945

	Million bushels
Stocks, January 1, 1945	185
Production	156
Total supplies	341
Estimated domestic requirements	125
Available for export or carry-over	216
Exports (incl. flour), January-February	21
Balance March 1 for export or carry-over	195

The carry-over January 1, 1945, in Australia totaled about 59 million bushels, and the crop is estimated at about 53 million. This total of 112 million would be adequate only for domestic consumption, small exports, and possibly a small year-end carry-over. Because the drought reduced feed grain crops this year, there is a large demand for wheat for feed. Wheat use for this purpose has been regulated so as to conserve the limited supply.

High Prices Favor Maintaining Canadian Acreage; Increases Likely in Argentina and Australia, Reductions in Europe.

The spring wheat acreage intentions of Canadian farmers will not be known until May 9. In its statement of objectives for 1945, Canada suggested a smaller acreage, compared with 1944, to be seeded to wheat. As a result of continued active demand and profitable returns, however, there will be a tendency for actual seedings to exceed the objective. In 1944, little change was suggested in wheat acreage, but the acreage seeded was increased 6.5 million acres, or 13.8 percent. Important factors in this increase were abandonment in 1944 of payments to shift to feed grains, the removal of delivery quotas, and favorable prices. The proposed reductions in wheat

acreage for 1945 amount to 1.8 million acres, or 8 percent. The announcement that marketings by individual growers will be limited in 1945-46 by definite quotas, however, may cause the acreage in 1945 to be not greatly different from the objective. The area sown to winter wheat in Canada in the fall of 1944 is estimated at 682,000 acres, which is a 5 percent decrease, compared with the area sown in 1943. The condition of the sowings at the beginning of November was reported at 101 percent of the long time average yield per acre, compared with 84 percent on that date in 1943.

In Europe field work is now active, with many countries, including those of the U.K., endeavoring to expand their spring acreages to offset reductions in fall seedings, which were caused by exceptionally wet conditions and the effects of military operations. It is unlikely, however, that spring sowings can be increased sufficiently to do this, although weather has been reported excellent. Sowings of winter wheat in France are placed at 6.7 millic acres, compared with 10.1 million acres a year earlier, and 11 to 13 million acres in pre-war years. The total wheat acreage in Germany is expected to be below average because of the drain on manpower and general confusion within the country. In Switzerland only about 2/3 of the average acreage was seeded to winter wheat because of unfavorable weather.

Farmers in Argentina are being urged to reverse the downward trend in wheat acreage which has occurred during the war. Higher guaranteed prices and relaxation of acreage controls in Australia are expected to result in increased seedings. However, any increase is expected to be only moderate, because of shortages of manpower and equipment. Plowing has started in a few sections, but moisture is still inadequate over large areas. There is still ample time for improvement, however, since seeding is not at its height either in Australia or Argentina until June, for harvest in November and December. Wheat seeding in South Africa is reported as progressing satisfactorily.

Canada Maintains Minimum Wheat Price and Limits Wheat Marketings for 1945-46

The Canadian Government's 1945-46 grain program provides for the continuance of the Wheat Board's guaranteed prices on wheat, and a definite limitation of wheat marketing. Total marketings are to be confined to the amount that can be delivered under the limitation of the individual growers' quotas (14 bushels per authorized acre), according to the announcement of the Minister of Trade and Commerce. The initial wheat price remains at $1.25 per bushel, basis No. 1 Northern in store at Fort William-Port Arthur or Vancouver. Growers will again receive participation certificates entitling them to share in marketing profits.

The principal difference from last year's program was the announcement that the price guaranty will apply to only the part of the crop marketed under the quota stipulated. During the 1944-45 season, the limitation of 14 bushels per acre was modified, and the marketing quota finally lifted entirely.

The announced policy of limiting marketings for the coming season to the level stated is in line with the Government's request that growers reduce

wheat seedings in favor of barley and oats. Feed requirements this season are considered more pressing, in view of the large stocks of wheat now on hand. It was suggested that spring wheat area be reduced considerably below last year's acreage, which had been sharply increased to over 23 million acres.

The Government has acquired a new stock of "Crown" wheat for Mutual Aid purposes, purchased from the 1943-44 and 1944-45 crops at commercial prices. It was pointed out that this will permit the closing out of the 1943-44 wheat account before August 1, the beginning of the new crop year. It also assures a payment on participation certificates for that crop.

THE CURRENT WHEAT SITUATION

BACKGROUND.- In the 10-year pre-war period of 1932-41, the annual carry-over of old wheat in the United States averaged about 235 million bushels, production averaged 738 million, and domestic disappearance 677 million, of which 479 million were food, 117 million were feed and 81 million were seed. Large world crops and restricted trade resulted in the largest world wheat supplies on record in 1938-43. The blockade and other war conditions reduced world exports of wheat and flour to 465 million bushels in 1940-41, about 410 million in 1941-42, about 365 million in 1942-43, and approximately 500 million in 1943-44, compared with 650 million in 1938-39 and 625 million in 1939-40. Net Exports, including shipments, from the United States in 1940-41 were 34 million bushels; in 1941-42, 28 million; and in 1942-43, 33 million, compared with 109 million in 1938-39 and 45 million in 1939-40. In 1943-44 the need for additional wheat for feed resulted in net imports of 77 million bushels.

Carry-over July 1, 1945 of 350 to 375 Million Bushels Expected

On the basis of estimates of disappearance, a carry-over next July of 350 to 375 million bushels still appears probable. Total export demand is large, but because of the difficulties involved in getting cars to move grain to ports, it is difficult to estimate the quantity which will actually be exported before July 1. Exports include lend-lease and civilian relief feeding, as well as commercial exports.

On the basis of fairly complete figures, it now appears that in July-December 1944, domestic food consumption was smaller and feed use larger than was expected earlier. The estimates are now as follows, in million bushels: Food 269, feed 184, seed 59, and alcohol 54. In January-June 1945, domestic disappearance is estimated as follows, in million bushels: Food 263, feed 90, seed 22, and alcohol 26.

A carry-over of between 350 and 375 million bushels conpares with 316 million bushels July 1, 1944, and 235 million-bushel average in the 10-year

(1932-41) pre-war period. However, it would be sharply below the 632 million in 1942 and 622 million in 1943.

As a result of the difficulty in obtaining transportation facilities and because of the availability of corn, oats, and grain sorghums, the Commodity Credit Corporation made no feed wheat allotments for the month of April, except for the region served by the Portland office of that agency. The quantity of feed wheat allocated to that region is small in relation to the total United States allocation. Shipments of Government feed wheat, however, will be made to all areas during April from previous allocations, the volume depending upon the availability of box cars. Sales of wheat by the Commodity Credit Corporation in July-September 1944 totaled 61 million bushels, in October-December 42 million, and in January-March about 28 million. Sales in April-June will be sharply lower.

Wheat Prices Continue at Ceiling Levels; Strong Demand and Car Shortage likely to Lessen Downward Seasonal Price Adjustment

Cash wheat prices continue generally at ceiling levels. Ordinarily prices start downward in May, in an adjustment to the new crop basis. Adjustment this year may not be as marked, however, as a result of large flour purchases by the Government, a good demand for wheat for industrial alcohol p production, heavy exports, and the restricted movement caused by the shorta of cars. Parity for wheat in mid-March advanced 1 cent to $1.53 a bushel, compared with $1.50 on June 15, 1944, on the basis of which the 1944 wheat loan was determined.

Up to March 24, of the 183 million bushels of 1944-crop wheat placed under loan, 31 million had been redeemed, making net stocks of 1944-crop wheat under loan 152 million bushels. With 4 million bushels of 1943 wheat still under loan and 78 million owned by the Commodity Credit Corporation, loan and owned stocks totaled 234 million bushels, almost half of total stocks in the United States.

Car Shortage Restricting Movement of Wheat

The car shortage, which has existed during the past 5 months, has resulted in wheat being backed up on farms and in country elevators. During January through March only 51 million bushels were received at primary markets as compared with 157 million during the same period in 1944 and 120 million in 1943. Stocks on farms April 1 were estimated at 239 million bushels compared with 220 million a year earlier and 163 million, the 10-year (1933-42) average. Figures on interior elevators and mills will not be available until April 25. Commercial stocks of wheat in terminal positions on April 1 totaled only 100 million bushels, about half of which were owned by the Commodity Credi Corporation. Total commercial stocks are the lowest since 1939, and compare with 124 million a year earlier and 212 million in 1943. As a further result of the car shortage, stocks in ports and nearby terminals have become nearly exhausted. Unless a great many more cars are made available, the handling of the large prospective crop and also the export program for relief and lend-lease purposes, will be seriously hampered.

Billion-Bushel Cash Income from Wheat in 1944

Cash income received by wheat growers in the 1944 calendar year is estimated at 1,070 million dollars. This is the largest income since 1920, when it was 1,368 million dollars and the price to growers averaged $2.14. It is over 20 percent above the 801 million-dollar income in 1943. The quantity sold in 1944 was exceeded only in 1942, and the price was the highest since 1925.

Sales, average price per bushel, and cash income since 1930 are shown in table 7. These estimates include total receipts from the sale of wheat and from wheat placed under loan, but do not include Government payments in more recent years. These income estimates are computed from estimated sales in each month, valued at the average price received by producers as of the 15th of the month, to which are added the returns from loans. When the wheat loans are redeemed and resold, growers are credited with any additional income above the cost of redeeming the loans. The calendar-year income is the sum of the monthly income for the 12 months. The United States estimate of income is the sum of the estimates for the various States.

Table 3.- Wheat: Acreage, yield per acre, and production, average 1934-43, annual 1940-45 1/

Year of harvest	All wheat				
	Acreage			Yield per seeded acre	Production
	Seeded	Harvested	Seeded but not harvested		
	1,000 acres	1,000 acres	1,000 acres	Bushels	1,000 bu.
1934-43 average	66,154	53,829	12,325	12.2	789,080
1940	61,610	52,988	8,622	13.2	813,305
1941	62,332	55,642	6,690	15.1	943,127
1942	52,227	49,200	3,027	18.7	974,176
1943	55,127	50,648	4,479	15.3	841,023
1944	65,684	59,309	6,375	16.4	1,078,647
1945	68,597			(14.6)	1,003,000
	Winter				
1934-43 average	46,757	38,526	8,231	12.7	585,994
1940	43,325	35,809	7,516	13.6	590,212
1941	45,671	39,485	6,186	14.7	670,709
1942	38,072	35,436	2,636	18.3	696,450
1943	37,782	33,975	3,807	14.1	531,481
1944	46,349	40,714	5,635	16.5	764,073
1945	49,589			15.4	762,000
	Spring				
1934-43 average	19,397	15,303	4,094	11.1	203,085
1940	18,285	17,179	1,106	12.2	223,093
1941	16,661	16,157	504	16.4	272,418
1942	14,155	13,764	391	19.6	277,726
1943	17,345	16,673	672	17.8	309,542
1944	19,335	18,595	740	16.3	314,574
1945	19,008			(12.7)	241,000

1/ Data for earlier years in The Wheat Situation as follows: 1919-28, August 1942, pages 11-13; 1929-34, March-April 1943, page 10; 1935-39 and averages 1933-42, August 1944, page 10.

Table 4.- Durum and other spring wheat: Seeded acreage, yield per acre, and production, 1940-45 1/

Year	Durum 2/			Other spring		
	Acreage	Yield	Production	Acreage	Yield	Production
	1,000 acres	Bushels	1,000 Bushels	1,000 acres	Bushels	1,000 Bushels
1940	3,371	9.9	33,479	14,914	12.7	189,614
1941	2,598	16.0	41,653	14,063	16.4	230,765
1942	2,155	20.7	44,660	12,000	19.4	233,066
1943	2,154	16.5	35,574	15,191	18.0	273,968
1944	2,160	14.8	31,933	17,175	16.5	282,641
1945 3/	2,017			16,991		

1/ Data 1929-39, in The Wheat Situation, March-April, page 11.
2/ Figures for durum represent three States only -- Minnesota, North Dakota, and South Dakota. Durum production in other States is unimportant and figures are included with "other spring."
3/ Prospective plantings.

Table 5.- Spring wheat: Seeded acreage by areas, average 1934-43 annual 1942-45

Area	Average 1934-43	1942	1943	1944	1945 prospective planting	1945 as percent of 1944
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Spring wheat other than durum						
Mont., N.D., S.D., and Minn:	13,874	10,783	12,979	14,996	14,714	98.1
Wash., Oreg., and Idaho ...:	1,644	690	1,692	1,617	1,727	106.8
Colo., Nebr., and Wyo.....:	762	318	322	379	365	96.3
All other States .....:	285	209	198	183	185	101.1
Total .....:	16,565	12,000	15,191	17,175	16,991	98.9
Durum wheat 1/ .....:	2,832	2,155	2,154	2,160	2,017	93.4
Total all spring .....:	19,397	14,155	17,345	19,335	19,008	98.3

1/ Figures for durum represent three States only -- Minnesota, North Dakota, and South Dakota. Durum production in other States is unimportant and figures are included with "other spring" wheat.

Table 6.- Wheat: Estimated distribution in continental United States, 1930-44

Year beginning July	Disappearance: Food	Feed	Industrial use	Other	Total disappearance	Stocks June 30	Total supplies
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1930	489.6	179.7	---	196.2	865.5	312.5	1,178.0
1931	482.8	190.2	---	205.7	878.7	375.3	1,254.0
1932	492.4	143.1	---	118.4	753.9	377.7	1,131.6
1933	448.4	102.6	---	106.2	657.2	272.9	930.1
1934	459.1	113.5	0.1	95.9	668.6	145.9	814.5
1935	474.5	99.0	0.1	94.7	668.3	140.4	808.7
1936	480.4	112.6	0.1	108.9	702.0	102.8	804.8
1937	477.3	129.8	---	197.5	804.6	153.1	957.7
1938	485.2	153.0	0.1	185.0	823.3	250.0	1,073.3
1939	482.4	108.1	0.1	121.2	711.8	279.7	991.5
1940	485.9	113.9	0.1	111.7	711.6	384.9	1,096.5
1941	489.5	114.2	2.2	93.7	699.6	632.1	1,331.7
1942	529.0	303.3	54.5	98.8	985.6	621.7	1,607.3
1943	534.0	503.4	108.4	138.1	1,283.9	314.8	1,598.7
1944	(532.0)	(275.0)	(80.0)				1/1,394.7

1/ Excluding imports which are expected to continue but at greatly reduced rate.

Table 7.- Wheat: Sales, average price per bushel, and cash income, United States, 1930-44 1/

Calendar year	Sales	Average price per bushel 2/	Cash income
	1,000 bushels	Dollars	1,000 dollars
1930	618,940	.73	451,447
1931	635,797	.42	265,723
1932	543,186	.37	199,757
1933	468,067	.65	304,030
1934	387,998	.82	316,725
1935	451,430	.82	372,178
1936	465,736	.97	450,859
1937	586,109	1.03	604,910
1938	666,272	.60	400,538
1939	703,087	.62	432,586
1940	620,692	.69	428,341
1941	756,821	.91	686,990
1942	782,226	1.07	837,046
1943	628,954	1.27	800,939
1944 3/	762,693	1.40	1,069,844

1/ Data for 1910 to 1929 in The Wheat Situation, February 1942. 2/ Weighted by sales in each State. 3/ Tentative.

Table 8.- Wheat: Prices per bushel in four exporting countries, Friday nearest midmonth, Jan.-Mar. 1945, and weekly Jan.-Mar. 1945

	Hard wheat		Hard and semi-hard wheat		Soft wheat
	United States	Canada	United States	Argentina	United States
	No. 1 D.N.Sp. 15 pct. protein Buffalo c.i.f.	No. 1 Manitoba St. John f.o.b. 1/	No. 1 D. H. W. Galveston f.o.b. 2/	Rosafe f.o.b. 3/	No. 1 Portland f.o.b.
	Cents	Cents	Cents	Cents	Cents
Friday, midmonth					
Jan. 12 5/	189.2	128.1	171.5	103.0	154.5
Feb. 16	189.2	128.8	171.5	103.0	153.0
Mar. 16	189.2	148.4	175.5	106.1	153.0
Apr. 13	189.2	148.8	177.0	---	154.0
Weekly					
Jan. 19	189.2	128.2	171.5	102.2	155.0
Jan. 26	189.2	128.4	172.0	102.2	154.0
Feb. 2	189.2	128.5	171.5	103.0	152.5
Feb. 9	189.2	128.6	171.5	103.5	152.5
Feb. 23	189.2	128.9	173.0	103.0	153.5
Mar. 2	189.2	129.0	174.0	104.2	153.5
Mar. 9	189.2	129.1	175.5	104.4	153.0
Mar. 23	189.2	148.5	175.5	121.8	152.0
Mar. 29	189.2	148.6	175.5	121.8	152.0
Apr. 6	189.2	148.8	176.0	121.8	154.0

Current average farm prices are less than quotation about as follows: 1/ Canada 31 cents, 2/ United States 28 cents, and 3/ Argentina 13 cents.
4/ Midmonth prices beginning January 1942, published in The Wheat Situation, September 1942 and subsequent issues.

Table 9.- Wheat: Weighted average cash price, specified markets and dates, 1944 and 1945

Month and date	All classes and grades six markets		No. 2 Hard winter Kansas City		No. 1 Dk. N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Soft White Portland 1/	
	1944	1945	1944	1945	1944	1945	1944	1945	1944	1945	1944	1945
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Month:												
Feb. ..	165.3	166.3	163.0	165.8	167.1	168.4	164.2	171.9	---	175.9	150.1	152.9
Mar. ..	165.8	166.3	165.2	166.3	167.0	169.1	165.4	171.9	---	---	147.9	152.8
Wk. ended:												
Feb. 3	166.4	164.8	163.8	164.0	167.7	168.5	167.7	---	---	---	150.9	152.8
" 10	165.9	166.3	162.8	166.0	168.2	168.5	164.5	---	---	175.9	151.0	152.7
" 17	165.3	166.4	162.6	166.2	167.1	168.4	163.8	171.9	---	---	149.8	152.7
" 24	164.5	166.3	163.3	166.5	166.0	168.3	163.0	---	---	175.9	149.0	153.3
Mar. 3	164.6	165.9	164.4	165.9	165.9	168.1	162.1	---	---	---	149.0	153.2
" 10	164.9	166.3	165.1	166.0	166.2	169.0	163.1	171.9	---	---	147.8	153.5
" 17	165.2	166.0	165.6	166.0	166.4	168.9	164.0	---	---	---	146.8	153.0
" 24	166.3	166.3	165.6	167.0	167.5	170.0	165.9	---	---	---	147.8	152.0
" 31	166.8	166.4	164.0	---	167.9	169.0	167.5	---	---	---	148.8	152.2
Apr. 7	167.3	166.3	164.0	---	168.3	169.1	167.9	---	---	---	149.0	153.8

1/ Weekly average of daily cash quotations.

Table 10.- Wheat: Average closing price of May wheat futures, specified markets and dates, 1944 and 1945

Period	Chicago		Kansas City		Minneapolis	
	1944	1945	1944	1945	1944	1945
	Cents	Cents	Cents	Cents	Cents	Cents
Month:						
Feb.	170.1	162.9	160.8	154.8	160.4	154.4
Mar.	172.0	169.5	162.5	161.3	163.7	162.5
Wk. ended:						
Feb. 3	170.9	161.4	161.7	152.8	161.7	152.6
" 10	170.4	162.4	161.1	154.2	160.5	154.1
" 17	169.2	162.4	159.8	154.3	159.3	153.7
" 24	170.2	164.1	160.6	156.1	159.7	155.2
Mar. 3	170.8	165.1	161.4	157.4	162.0	156.7
" 10	171.0	169.7	161.7	161.9	162.2	161.7
" 17	171.7	171.3	162.3	163.0	163.4	163.8
" 24	173.1	169.3	163.4	161.0	165.2	163.2
" 31	173.3	169.4	163.5	160.6	165.4	163.9
Apr. 7	173.4	172.0	163.5	164.0	165.4	166.8

THE RYE SITUATION

The rye supply for 1944-45 is still placed at about 61 million bushels, consisting of a carry-over last July of 31 million bushels, and a crop and imports totaling around 30 million bushels. Disappearance will be below the 55 million bushels in 1943-44 (table 11). Owing to the hand methods used in making rye bread and the shortage of manpower, it is expected that the quantity of rye for food use will be less than 10.2 million bushels, the revised estimate for 1943-44. Feed use is expected to be sharply below the 34 million bushels in 1943-44 -- which was probably an all-time high. Use of rye for alcohol and spirits may be more than double the 4-1/2 million bushels used in 1943-44. Purchases for export are totaling at least 4 million bushels, but only about 2 million bushels may be shipped before July 1. The two estimates which are most uncertain are feed and alcohol. Using 18 million as reasonably likely for feed and 10 million for alcohol, the carry-over July 1, 1945 would be about 15 million bushels. There are no comparable figures before 1939. However, on the basis used before 1939, when farm stocks were reported only on June 1 and no data were available on stocks in interior mills and elevators, June 1 farm stocks plus July 1 commercial stocks would be about 11 million bushels for 1945, which compares with 9.5 in 1938 and 5.7 in 1937, the two years of smallest stocks since records started in 1934.

April 1 Rye Condition Highest Since 1914

The April 1 condition of rye is 91 percent of normal, compared with 79 percent on April 1, 1944. This is 3 points above the December 1 condition and 15 points above the 10-year (1934-43) average April 1 condition of 75 percent. The April 1 condition this year is equal to that of April 1, 1914, but otherwise the highest since 1910.

Condition improved 3 points since December in South Dakota; 4 points in Wisconsin and Minnesota; 6 points in Nebraska and Michigan; 7 points in Pennsylavnia, and 1 point in Kansas. There has been no change in North Dakota, while Oklahoma, comparatively large producing State in recent years shows a 1-point decline. All other States show some improvement except a few Western States.

In the major rye-producing States, condition April 1 this year ranged from 9 points in Oklahoma to 22 points in Nebraska over the same period last year with all but a few other States above last year. All States show condition better than the 10-year average except Idaho and California. In the larger producing States, rye condition ranges from 10 points above average in Wisconsin to 22 points above in South Dakota.

Rye Prices the Highest Since 1920

Rye prices in 1944-45, although substantially below parity, are the highest since 1920. For the 9 months, July 1944 - March 1945, prices averaged about 5 cents above a year earlier. Reflecting a good demand for limited supplies, prices are expected to continue strong. The weighted average price of reported sales of No. 2 Rye at Minneapolis for March was $1.27, compared with $1.23-1/2 for both a month earlier and a year earlier (table 13).

Rye is the only important grain which has been substantially below parity. In March the price was 87 percent of parity. The March mid-month average U. S. price to growers was $1.09, which compares with $1.08 a month earlier and $1.11 a year earlier (table 12). Rye is also the only important grain on which no ceiling prices have been placed.

Rye Supplies Remaining in Canada Small

Supplies of rye in Canada for 1944-45 amounted to 14.1 million bushels (table 16), compared with 22.4 million in 1943-44 and 12.7 for the 10-year average. From the 1943-44 supply of rye, over 9 million bushels were exported, mainly to the United States, and 7.8 million were used in Canada. Should domestic consumption in 1944-45 equal that of 1943-44, only 6.3 million bushels of rye would be available for export and carry-over.

Table 11.-Rye: Supply and distribution, United States, 1939-44

Year beginning July	Stocks July 1	Production	Imports	Total supply	Domestic disappearance: Food 1/	Feed	Seed	Spirits and alcohol	Total	Export
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
	With farm and commercial stocks on July 1									
1939	21.9	38.6	2/	60.5	7.9	19.3	7.4	5.6	40.2	0.7
1940	19.6	40.0	1.4	61.0	8.0	19.3	8.0	6.7	42.0	0.3
1941	18.7	45.4	8.8	72.9	8.8	19.1	8.5	6.9	43.3	2/
1942	29.6	57.7	1.5	88.8	9.7	30.9	7.5	2.1	50.2	2/
1943	38.6	30.5	3/8.3	77.4	10.2	31.0	6.4	4.5	52.1	0.1
1944	25.2	25.9	(4.0)	55.1	(9.3)	(18.0)	(6.2)	(10.0)	(43.5)	(2.0)
	With farms, commercial and, interior mill and elevator stocks 4/, all on July 1									
1943	5/47.1	30.5	3/8.3	85.9	10.2	31.8	6.4	4.5	54.8	
1944	5/31.0	25.9	(4.0)	60.9	(9.3)	(18.0)	(6.2)	(10.0)	(43.5)	(2.0)

1/ Estimates based on trade information related to the Census of 1939.
2/ Less than 50,000 bushels.
3/ Imports from Canada.
4/ Interior mill and elevator stocks available only beginning 1943.
5/ In 1943 farm stocks were 15.3 million, interior mill and elevator stocks 8.5 million and commercial 23.3 million. In 1944, farm stocks were 5.0 million, interior mill and elevator stocks 5.9 million, and commercial 20.1 million.

Table 12.- Rye: Average price per bushel received by farmers, United States, 1933-44 1/

Year beginning July	July 15	Aug. 15	Sept. 15	Oct. 15	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	Crop year average
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1933	78.2	58.8	61.4	52.7	55.4	51.9	53.6	54.2	53.1	52.8	51.9	58.2	62.8
1934	61.8	73.9	79.1	75.0	71.9	74.4	73.1	69.3	66.5	66.0	62.0	53.7	72.0
1935	36.0	35.5	36.5	42.1	40.4	40.0	41.4	44.4	42.9	40.8	40.6	43.8	39.8
1936	61.1	75.1	79.5	80.4	81.5	90.0	97.9	98.9	95.8	99.9	96.0	85.3	81.2
1937	81.0	70.6	68.1	63.8	60.8	59.2	64.1	63.4	58.7	52.2	49.8	46.0	68.6
1938	414	32.4	32.0	32.9	32.1	32.3	34.7	33.9	32.9	33.0	36.4	39.1	33.8
1939	34.3	34.2	44.0	45.1	44.6	52.3	56.7	55.7	55.6	57.1	52.4	40.3	43.9
1940	38.3	36.8	38.3	40.5	42.8	41.3	43.6	41.2	43.1	46.5	48.1	47.1	41.9
1941	46.4	49.4	57.3	51.3	54.2	57.8	65.2	66.0	64.3	60.7	59.4	52.4	53.9
1942	51.3	49.2	55.2	52.9	50.4	56.3	61.3	64.1	68.9	69.5	71.9	79.7	59.8
1943	90.9	88.6	94.5	101.0	102.0	107.0	111.0	111.0	111.0	112.0	111.0	105.0	98.1
1944	107.0	108.0	102.0	108.0	108.0	106.0	109.0	108.0	109.0				2/109.0

Based on returns from special price reporters. Monthly prices, by States, weighted by production to obtain a price for the United States; average for the year obtained by weighting State price averages for the crop marketing season.
1/ Prices for 1908-32 in The Wheat Situation, February 1940, page 28.
2/ Preliminary.

Table 13.- Rye, No. 2: Weighted average price per bushel of reported cash sales, Minneapolis, by months, 1933-44 1/

Year beginning July	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Wtd. av.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1933	83.5	72.3	71.3	62.3	62.3	59.9	63.7	61.1	59.2	57.2	59.8	68.7	68.5
1934	73.7	89.3	86.7	75.7	76.0	80.4	76.2	68.7	61.2	61.5	54.3	46.3	81.0
1935	48.1	45.0	46.5	51.9	48.6	49.0	53.5	56.9	52.1	49.7	51.7	58.2	50.2
1936	75.0	82.5	86.7	85.1	91.6	109.9	113.2	110.6	109.0	112.4	108.9	99.5	97.2
1937	85.2	77.3	77.9	74.0	68.5	69.8	75.9	74.4	66.9	61.0	58.0	55.5	73.8
1938	48.4	40.8	40.5	41.5	40.2	42.9	46.1	45.2	43.1	43.1	50.9	50.0	43.9
1939	43.1	41.7	52.7	52.1	51.0	66.9	70.3	66.5	66.5	69.5	58.8	44.9	55.9
1940	43.9	41.2	43.6	47.8	50.2	50.0	52.6	50.2	52.4	56.5	58.1	56.6	50.8
1941	54.9	61.7	67.8	60.0	64.1	67.8	80.3	78.1	75.5	71.8	69.3	60.3	65.1
1942	60.6	58.8	64.6	59.1	59.3	70.3	74.7	79.2	82.9	80.9	87.2	94.1	73.4
1943	101.2	95.4	101.4	108.5	111.0	120.2	127.0	122.5	123.5	127.1	119.4	112.1	108.1
1944	113.0	112.1	103.1	114.8	113.1	114.3	122.8	123.5	127.2				

Compiled from Minneapolis Dairy Market Record. Average of daily prices weighted by carlot sales.
1/ Prices for 1915-32 in The Wheat Situation, June 1937, page 18.

Table 14.- Rye production and farm disposition, United States, 1909-1943

Crop of -	Production	Used for seed: Total	Used for seed: Home grown 1/	Fed to livestock 1/	Ground at mills for home use or exchanged for flour	Sold
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu
1909	30,083	4,622	2,517	5,588	583	21,395
1910	29,098	4,928	2,676	5,599	587	20,236
1911	31,396	5,362	2,951	6,398	604	21,443
1912	37,911	6,003	3,116	6,496	607	27,692
1913	40,390	6,137	3,343	7,823	652	28,572
1914	42,120	6,551	3,467	7,003	632	31,018
1915	46,752	6,814	3,732	7,196	649	35,175
1916	43,089	9,195	4,290	7,870	627	30,302
1917	60,381	11,724	6,033	8,807	683	44,858
1918	83,586	12,761	7,139	10,960	791	64,696
1919	78,849	9,004	5,808	11,092	774	61,175
1920	62,113	9,066	5,177	7,903	605	48,428
1921	61,205	12,191	6,230	8,886	562	45,527
1922	101,142	9,566	6,081	12,607	627	81,827
1923	56,091	7,484	4,709	11,986	480	38,916
1924	58,470	7,352	4,158	7,301	349	46,662
1925	42,418	6,980	3,937	4,822	335	33,324
1926	34,968	6,616	3,707	6,260	314	24,687
1927	51,196	6,767	3,677	5,954	279	41,286
1928	38,055	6,362	3,467	5,989	259	28,340
1929	35,411	7,050	3,436	9,276	250	22,449
1930	45,383	7,740	3,796	18,688	261	22,638
1931	32,777	7,813	3,463	14,624	288	14,402
1932	39,099	6,854	3,462	16,890	296	18,451
1933	20,573	7,585	2,695	7,829	259	9,790
1934	16,285	8,616	2,102	6,427	236	7,520
1935	56,938	8,701	4,081	21,594	339	30,924
1936	24,239	9,990	3,080	10,216	227	10,716
1937	48,862	9,105	4,119	17,493	302	26,948
1938	55,984	9,710	4,440	21,522	284	29,738
1939	38,562	7,370	3,639	16,117	189	18,617
1940	39,984	8,126	3,379	16,244	163	20,198
1941	45,364	8,451	3,700	16,792	155	24,717
1942	57,673	7,512	3,539	21,578	198	32,358
1943	2/30,452	6,425	2,734	14,643	162	13,242
1944	3/25,872					

1/ Relates to quantities used by producers on their own farms; additional quantities are also utilized.
2/ 30,781,000 figure used in estimating disposition 1943.
3/ 1944 disposition estimate not made.

Table 15.- Rye: Stocks by quarters, United States, July 1943 - April 1945

	July 1 1943	Oct. 1 1943	Jan. 1 1944	Apr. 1 1944	July 1 1944	Oct. 1 1944	Jan. 1 1945	Apr. 1 1945
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
On farms	15,300	23,000	14,100	8,890	5,000	16,314	10,700	6,673
Interior mills and elevators	8,505	8,568	7,557	6,147	5,837	4,884	4,118	1/
Terminals	23,309	22,907	21,051	21,148	20,150	14,728	12,207	10,252
TOTAL	47,114	54,475	42,708	36,185	30,987	35,926	27,025	

1/ Not available

Table 16.- Rye, Canada: Supply and distribution, average for 1932-41, and annually 1941-44

Year beginning August	Stocks Aug. 1	Production	Total supply	Exports	Used for seed	Milled for flour	Used for feed	Total disappearance
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
10-year (1932-41) average	3,728	8,900	12,628	2,599	1,218	182	5,142	9,141
1941	4,919	11,703	16,622	2,751	1,600	350	8,568	13,269
1942	3,353	24,742	28,095	1,662	750	171	10,244	12,827
1943	15,268	7,143	22,411	9,066	800	228	6,741	16,835
1944	5,576	8,526	14,102					